(b) the reasons for delay in according sanction; and

(c) by when it is likely to be accorded?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) to (c) Andhra Pradesh Power Generation Corporation Limited (APGENCO) has submitted an application dated 20.8.2009 to the Ministry of Coal seeking issue of Letter of Assurance for long term coal linkage for the proposed 4000 MW (5 x 800 MW) Super Critical Thermal Power Project near Vodarevu, Prakasam District in Andhra Pradesh. They have requested for allocation of 10 Million Tonnes of coal per annum. The application has been forwarded to Ministry of Power on 26.8.2009 for their comments. This application will be placed before the Standing Linkage Committee (Long Term) for Power, as and when held for considering applications of 12th Plan Power Projects, subject to recommendations of Ministry of Power and other relevant factors. No time frame by which a decision will be taken on this application can be indicated at this stage.

Reforms in coal mining

3403. SHRI O.T. LEPCHA:
DR. (SHRIMATI) NAJMA A. HEPTULLA:

Will the Minister of COAL be pleased to state:

(a) whether Government is considering reforms in the coal mining;

(b) if so, the details in this regard;

(c) whether Government intends to involve private and foreign investors in coal mining to enhance the production capacity; and

(d) if so, the details in this regard and by when the reforms would be implemented?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) and (b) Yes, Sir. The Government had constituted an Expert Committee under the Chairmanship of Shri T.L. Shankar to suggest measures to reform the coal sector. The Committee has submitted Part-I and Part-II of the report. The details of recommendations contained in these reports and action taken by the Government thereon are given in the Statement (*See* below).

(c) and (d) Yes, Sir. Captive mining of coal is now permissible by private companies engaged in generation of power, production of iron and steel, production of cement, coal gasification and coal liquefaction and such other specified end uses as may be notified by the Government from time to time. As far as foreign direct investment (FDI) in coal sector is concerned, 100% FDI under the automatic route is allowed by the Government. Besides, the Coal Mines (Nationalization) Amendment Bill 2000 was introduced in Rajya Sabha in April, 2000, which seeks to permit private participation in coal mining, without the existing restriction of captive use, in order to augment coal production in the country. The Bill is pending for consideration in the Rajya Sabha.

Statement

The major recommendations of Expert Committee on restructuring/reforms in coal sector and action taken/proposed to be taken by the Government thereon

S.No.	Major Recommendations	Action Taken /proposed to be taken
1	2	3
1	Augmenting domestic coal production to bridge the gap between demand and supply with emphasis on captive coal mining.	Government has allotted a number of new captive coal blocks, besides taking up a number of new coal projects under coal PSUs to augment coal production to bridge the gap between demand and supply.
2	As coal shall remain India's primary source of commercial energy supply, a time-bound plan to cover the entire country by regional mapping in 15 years should be prepared by Geological Survey of India, Central Mine Planning and Design Institute (CMPDIL) and Ministry of Coal (MOC).	An action Plan has been prepared to cover the balance coal bearing area of 5438 sq. km under regional exploration. It is envisaged that an area of 2791 sq. km will be covered during the XI Plan and the balance there after. Exploratory drilling capacity of CMPDIL is being doubled.
3	Coal India Limited (CIL) may be granted the status of Navratna company and the subsidiaries of CIL may be granted the status of Mini Ratna companies in which case only those proposals of such a subsidiary would need government approval wherein the capital expenditure exceeds Rs. 500 crore.	CIL has been granted Navaratna status. Besides this, 6 of its subsidiary companies (South Eastern Coalfields Ltd.; Western Coalfields Ltd.; Mahanadi Coalfields Ltd.; Northern Coalfields Ltd.; Central Coalfields Ltd. & Central Mine Planning and Design Institute Limited) and Neyveli Lignite Corporation Ltd. have been accorded Miniratna Category- 1 status. In July 2009 the Government has approved enhancing the financial powers of SCCL Board to approve projects, and to incur capital expenditure from 100 crore to Rs. 500 crores.
4	The issue of major restructuring of CIL should be considered during the 12th Plan Period.	This is agreed to.
5	The environmental issue in respect of coal projects should be taken up on priority consideration by the Government.	The Government has issued new Environment notification on 14.9.2006 as per which the proposals of coal mining projects are being processed for environmental clearance.

1	2	3
6	Planned imports of coal need to be encouraged.	Imports are planned by Power Sector every year in advance keeping in view the requirement. CIL is also contemplating to import coal.
7	Increasing proportion of all domestic coal that is not earmarked for Power Sector be brought into the E-auction market over the next 2 to 3 years.	E-auction of coal has already been started.
8	The current system of linkages feeding the power sector may be replaced with formal long term Fuel Supply and Transport Agreements that include the Railways.	The new coal distribution policy of Government provides for long term fuel supply and transport agreements that include railways.
9	All possible legal measures should be evolved to cancel the licenses issued earlier if the allottee has not taken adequate steps to bring the allotted mines to production or in setting up the end use units.	On the basis of regular review of the progress of captive blocks, de-allocation of some coal blocks has been done. Regular monitoring is being done to review the progress periodically.
10	Coal price would need to be regulated in light of the market realities. The regulation of coal price has to be differentiating the pricing of coal for power generation since it consumes 80% of the domestic production and the quality of coal it consumes is not easily saleable to the steel and cement sectors.	So far as Ministry of Coal is concerned, the pricing of coal has been fully deregulated after the Colliery Control Order, 2000 notified with effect from Ist January, 2000 in supersession of the Colliery Control Order, 1945. Under the Colliery Control Order, 2000 the Central Government has no power to fix the prices of coal. Coal Companies are empowered to fix the price of coal.
11	Promotion of underground mining.	Action has been initiated by C1L to enhance the level of production from underground mines from around 44 million tonnes achieved in 2006-07 to about 67 million tonnes by 2011-12 mainly by adopting mechanisation of operations, introduction of continuous miner technology and longwall technology. The additional investment has been estimated at Rs. 5185.59 crores for attaining this production

1	2	3
		level. CIL has also identified 7 blocks which can be developed into mega mine (more than 2 million tonnes production per annum) with state of the art consultancy and technology with foreign expertise.
12	Improve production and productivity of men & machinery with focus on technology upgradation.	Action has been initiated to improve productivity of heavy earth moving machinery (HEMM) in opencast mines mainly by increasing the number of hours of operation and awarding maintenance and repair contracts streamlining the replacement of old equipment, and deployment of large size equipment. In underground mines, improvement in productivity is being addressed through mechanized coal loading operations adopting side discharge loaders, load haul dumpers, conveyor belts etc. and introduction of continuous miner technology and longwall technology wherever it is feasible. Shortwall technology on experimental basis has also been introduced. Adoption of Highwall technology is also envisaged in some of the opencast mines.
13	There is need to have permanent cell for technology evaluation and monitoring and improving the systematic operating procedures for modern new equipment procurement (in CIL).	A department has already been created at Coal India and also at CMPDIL for adoption of new technology. CMPDIL as the planning wing of Coal India provides the initial inputs for adoption of new technology.
14	Switch over to Gross Calorific Value (GCV) based pricing and grading of coal.	For adopting the GCV system of grading of coal, it was agreed between Coal India Limited (CIL) and NTPC to try out the proposed bandwidth price structure with 300 k. cal/kg for coal supply at some NTPC power plants initially for 60 days. However, this has not come through due to the lapse of time agreed to between NTPC and Coal India Limited and also lack of

†Original notice of the question was received in Hindi.

1	2	3
		installation of automatic mechanical samplers at the loading points. Accordingly, CIL has submitted a revised proposal mentioning the corresponding GCV values of sub-graded UHV bands and respective price ranges along with the time frame during which it proposes to install Auto Mechanical Samplers (AMSs) at the loading points on priority basis so as to notify the same through a Gazette Notification for switching over to GCV based grading.
15	Promote coal washing	Government has already taken a policy decision to encourage use of washed coal by permitting private entrepreneurs to set up washeries on coal company's land. CIL has also taken a decision to supply washed coal to power sector by setting up new washeries on Build Own Maintain (BOM) basis and funding will be made by CIL. Additional washing capacity of about 140 million tonnes per year is envisaged to be created in next five years time.
16	Promotion of cutting edge technologies like Underground Coal Gasification (UCG), Coal Bed Methane (CBM), Coal Mine Methane (CMM), Coal to Liquid (CTL) etc.	Government has already permitted CBM operations on commercial lines and 26 blocks have been allotted to various entrepreneurs. Directorate General of Hydrocarbons (DGH) under Ministry of Petroleum & Natural Gas (MoP&NG) regulates the CBM operations. For CMM, coal companies are taking action to extract methane gas from the existing mines and a demonstration project in association with United Nations Development Programme (UNDP) / Global Environmental Fund (GEF) is under implementation in one of the mines of Bharat Coking Coal Ltd. (BCCL). Government has recently

	2	3
		recognized UCG, CTL as one of the permitted end uses under the captive mining policy.
17	Although India is not under any obligation under Kyoto Protocol to reduce emissions, it is recommended that India should assume their role of a responsible user of coal taking every effort to reduce the emission level of coal as well as its consumption.	Action already initiated for adopting clean coal technologies. CIL has committed to sell processed coal to all its consumers. Government has given lot of stress for the extraction of coal bed methane which would eventually reduce emission from burning coal.
18	Outsourcing should be differentiated from contract labour employment. It is not a method to extract more work and pay less to unskilled and semi skilled labour. In fact, it becomes relevant and inevitable in tasks, which call for specialized skills.	CIL and its subsidiaries have initiated action and have included clauses in the tenders/contracts to remove exploitation of labour and also have generated training programmes for uplifting skills of its own workmen.
19	Setting up of a Coal Governance & Regulation Authority (CGRA) to co-ordinate and attend to all issues relevant for development of coal resources, regulation of coal price (wherever necessary), and nurturing level playing field between the entrenched large public sector coal companies and the emerging small coal companies in the State public sector and the captive mining sector.	Action initiated for creating a Coal Regulatory Authority. The draft Bill for appointment of coal regulator is being finalized for consideration of the Government.
20	Ensure proper mine closure and restoration of mined out areas. The Coal Regulatory Authority should be given the responsibility to monitor the restoration work. A fee of Rs.10 per tonne of coal mined as Mine-restoration levy should be collected annually and release as grants on for such work.	Draft guidelines for mine closure have been issued by the Ministry of Coal which would be implemented by the Coal Controller till the Coal Regulatory Authority is put in place.

1	2	3
21	Coal R&D fund should be created whereby half of one percent of the turnover of all coal companies in the public and private sectors is deposited. CGRA could manage the funds.	The creation of R&D fund is agreed to. It is preferable that the proposed fund should be kept available with the industry instead of the Coal Regulatory Authority. In the present system the R&D activities are identified, monitored and funded through a Standing Scientific Research Committee (SSRC), which is chaired by Secretary (Coal).

Criminal cases and departmental enquiries in CIL

3404. SHRI RANJITSINH VIJAYSINH MOHITE-PATIL: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that a large number of criminal cases and departmental enquiries are pending against the officials working with the Coal India Limited as on the 31st October, 2009;

(b) if so, the details thereof, company-wise and category-wise;

(c) the number and names of the officers suspended during the last three years and the time-frame within which generally the disciplinary committee submits a report and action is taken; and

(d) the details of such cases brought to the notice of Government where the officers have been falsely implicated and harassed and the action taken in that regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) to (d) The information is being collected and will be placed on the Table of the House.

Tie up with global mining firms by CIL

3405. DR. JANARDHAN WAGHMARE:
SHRIMATI SHOBHANA BHARTIA:
Will the Minister of COAL be pleased to state:

(a) whether the Coal India Limited has decided to have overseas tie up with several global mining firms to mine coal abroad and has floated an expression of interest for the same;

(b) if so, the details thereof;

(c) whether CIL's venture with foreign firms to mine coal blocks abroad is beneficial for Government; and

(d) if so, the details thereof?